Sharda Cropchem Limited

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ISO 9001: 2015 Reg. No: 702949
CIN: L51909MH2004PLC145007

6th November, 2026

To,

National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 **Trading Symbol: SHARDACROP**	**BSE Limited** Phiroze Jeejeebhoi Tower, Dalal Street, Mumbai – 400 001 **Scrip Code: 538666**

Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of Earnings Call Q2 FY 2026-27.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), please find enclosed transcript for the conference call with the Analysts / Investors for the Q2 FY 2026-27 financial results of the Company conducted through digital means on Monday, 02nd November, 2026 at 03.00 P.M. (IST).

Transcript is also available on the website of the Company at www.shardacropchem.com.

We request you to take the same on record.

Yours Sincerely,

Jetkin Gudhka

Digitally signed by Jetkin Gudhka
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Jetkin Gudhka
Company Secretary &
Compliance Officer

Encl: As above

Sharda Cropchem Limited

2QFY27 Post Results Conference Call

November 02, 2026

MANAGEMENT: **MR. R.V. BUBNA – CHAIRMAN AND MANAGING DIRECTOR – SHARDA CROPCHEM LIMITED**
MR. SHAILESH MEHENDALE – CHIEF FINANCIAL OFFICER – SHARDA CROPCHEM LIMITED
MR. JETKIN GUDHKA – COMPANY SECRETARY – SHARDA CROPCHEM LIMITED
SGA, INVESTOR RELATIONS ADVISORS – SHARDA CROPCHEM LIMITED

MODERATOR: **MR. MANISH MAHAWAR – ANTIQUE STOCK BROKING LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Sharda Cropchem Limited 2Q FY27 Post Results Conference Call hosted by Antique Stockbroking Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Manish Mahawar from Antique Stock Broking Limited. Thank you, and over to you.

Manish Mahawar: Thank you, moderator. On behalf of Stock Broking, warm welcome to all the participants on the 2Q FY27 earnings call of Sharda Cropchem. Today, we have Mr. R.V. Bubna, Chairman and Managing Director; Shailesh Mehendale, CFO; and Mr. Jetkin Gudhka, Company Secretary on the call. Without any delay, I would like to hand over the call to Mr. Bubna for opening comments, post which we will open the floor for Q&A. Thank you, and over to you, Bubnaji.

R. V. Bubna: Thank you, Manish-ji. Good afternoon, and very warm welcome to everyone present on the call. Along with me, I have Mr. Shailesh Mehendale, our CFO; and Mr. Jetkin Gudhka, Company Secretary; and SGA, our Investor Relations advisors. Hope you all have received our investor deck by now.

As you are aware, we are engaged in marketing and distribution of wide range of agrochemical products that is herbicides, insecticides, fungicides and biocides, catering to diverse global markets. We prepare comprehensive dossiers and seek registrations of these products in our own name. We allocate substantial resources for securing registrations of our products and thus establish our foothold in the market. Our total product registrations stood at 3,044 as on 30th September 2026. Additionally, 946 applications for product registrations are in the pipeline.

I am pleased to share that we have delivered another quarter of healthy growth, and the first half of 2027 has been encouraging across our key operating metrics. Revenue for the quarter grew by 13% year-on-year to INR1,052 crores. Gross margins expanded by around 140 basis points to 35.9%, while EBITDA grew 18% to INR164 crores, taking our EBITDA margin to 15.6%. Profit after tax for the quarter rose 23% to INR92 crores.

In terms of revenue analysis for the quarter, the 13% revenue growth was on account of increased prices, positive forex impact and improved product mix of 18.3%. With a volume degrowth of minus 5.1%, For the half year, the 11% revenue growth was on account of an increased prices, positive forex impact and improved product mix of 14.5% (Errata: Actual number to be read as positive 14.5%) with a volume degrowth of minus 3.5%. NAFTA was the standout of this quarter Revenue from the region grew about 30% year-on-year with significantly better margins. LATAM also did well with agrochemical revenue up by over 80%. Together, these regions more than made up for a softer quarter in Europe. Europe, our largest market, saw a slight moderation this quarter coming off an exceptionally strong financial year '26.

The weather challenges were highlighted last quarter continued through the September quarter with extended heat and drought conditions in parts of Central and Eastern Europe. As a result, distributors have taken a cautious approach to restocking. We see this as a temporary weather-led impact rather than any change in underlying demand. Our registration portfolio and customer relationship in Europe remains strong.

And as conditions normalize, we expect the region to do well in the second half, which is seasonally our stronger period. Further, we are encouraged by the momentum in NAFTA and LATAM, the steady growth of our non-agrochemical business and expected recovery in Europe. Our growing registrations portfolio and healthy pipeline give us a good visibility on new product launches over the coming years.

We continue to maintain our FY27 revenue growth guidance to 10% to 15%. We also expect EBITDA margins to improve through the year and remain between 18% to 20% for FY27, supported by better product mix and operating leverages in the second half. FY27, we aim to increase product registrations with a planned capex of INR550 crores to INR600 crores, backed by strong pipeline that reflects our resilience and growth focus

With this brief overview, I would now like to hand over the call to our CFO, Mr. Shailesh Mehendale for discussing our financial performance over the year. Thank you.

Shailesh Mehendale: Thank you. Good afternoon, everyone. Coming to the Q2 FY27 performance, revenue stood at INR1,052 crores in Q2 FY27 versus INR929 crores in Q2 FY26, an increase of 13% year-on-year. Coming to the split, agrochemical business grew by 5% year-on-year to INR840 crores, whereas non-agrochemical business grew by 68% year-on-year to INR212 crores. Gross margin stood at 35.9% in Q2 FY27 as against 34.5% in Q2 FY26, an increase of 140 basis points.

EBITDA grew by 18% to INR164 crores with EBITDA margin at 15.6% as against 15% in Q2 FY26, an increase of 70 basis points. Forex loss stood at INR0.4 crores in Q2 FY27 as against loss of INR6.1 crores in Q2 FY26. PBT stood at INR107 crores, an increase of 25% year-on-year. On a like-to-like basis, PBT prior to forex grew by 17% year-on-year to INR108 crores. PAT stood at INR92 crores versus INR74 crores last year, an increase of 23% year-on-year basis.

Coming to the H1 FY27 performance, revenue stood at INR2,125 crores in H1 FY27 versus INR1,914 crores in H1 FY26, an increase of 11% year-on-year. Coming to the split, agrochemical business grew by 6% year-on-year to INR1,755 crores, whereas the non-agrochemical business grew by 40% year-on-year to INR371 crores. Gross margin stood at 36.3% in H1 FY27 as against 35% in H1 FY26, an increase of 130 basis points. EBITDA grew by 22% to INR343 crores with EBITDA margin at 16.1% as against 14.7% in H1 FY26, an increase of 140 basis points.

Forex gain stood at INR7.1 crores in H1 FY27 as against forex gain of INR67 crores in H1 FY26. PBT stood at INR226 crores versus INR255 crores last year. On a like-to-like basis, PBT prior to forex grew by 16% year-on-year to INR219 crores. PAT stood at INR180 crores versus

INR217 crores last year. The company continues to remain a debt-free company with cash; bank liquid investments stood at INR846 crores as on 30th September 2026.

Working capital days stood at 70 days as at 30th September '26, showing an improvement by 28 days as compared to March '26. ROCE stood at 25.9% and ROE stood at 20.1%, reflecting the continued efficiency of our asset-light registration-led business model. We can now open the floor for the question and answers. Thank you.

Moderator: Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee: Sir, I was asking this 13% year-on-year revenue growth in Q2 FY27. Can you give a split of that into forex realization increase and volume growth?

R. V. Bubna: Yes, one minute. Let me see. See, I stated in my speech that the revenue growth was on account of increased prices, positive forex impact and improved product mix of 18.3% with a volume Degrowth of 5.1%. For the half year, the 11% revenue growth was on account of increased prices, a positive forex impact and improved product mix of 14.5% ((Errata: Actual number to be read as positive 14.5%) with a degrowth of minus 3.5% volume

Anubhav Mukherjee: Just a small follow-up. This 18.3% increase on because of forex and realization increase, can you further give the breakup between realization increase and forex?

R. V. Bubna: Well, I don't have these figures right now. If you want, you can contact us later on by phone.

Anubhav Mukherjee: And sir, you also mentioned the increase in capex and the strong pipeline that you are witnessing of registrations. Can you provide some more detail on what type of registrations are we going for? Is it like for some specific products that are going off patent and in which geographies? That will be very helpful.

R. V. Bubna: Sir, we are selling to about 75 countries in the globe and there are a lot of products. It is difficult to say -- I mean your specific answer. Most of these products are used in all the geographies.

Anubhav Mukherjee: And sir, the strong 68% year-on-year growth in non-agrochemical segment.

Shailesh Mehendale: just to clarify, for H1, this 11% revenue growth is on account of increased prices, positive forex impact and improved product mix of 14.5% and volume degrowth of 3.5%. Now you continue with your question.

Anubhav Mukherjee: Yes. Sir, I was also asking this strong 68% year-on-year growth in the non-agrochemical segment. What I understand is that in this segment, there are two three different product categories we are in. One is industrial belts, then chemicals and then dyes. So, can you give some color on which particular product segment has driven the strong growth and what has driven it?

R. V. Bubna: Mainly because of conveyor belts, rubber belts, which are used for transportation of goods and material handling.

Anubhav Mukherjee: And sir, what is driving this very strong growth both in this quarter and overall H1?

R. V. Bubna: Sir, this is purely depending upon the demand because of a lot of uncertainties in the international markets and problems of transportation and other things. People were waiting for the things to improve. And all of a sudden, they found that they are running short of their stocks, and they started buying at a faster speed.

Anubhav Mukherjee: And this is sustainable for the whole of...

Moderator: I. Next question is from the line of Jatin Damania from Svan Investments. Please go ahead.

Jatin Damania: Hi, sir. Thank you for this opportunity and congratulations for a good set of results. Over the last 12 months, we've spent almost INR500 crores on registrations, but our registrations have increased by almost 50 over the last 12 months, whereas in our pipeline, the number of registrations has dropped by 120. So, have we dropped those 70 registrations or have we withdrawn them while they were in process?

R. V. Bubna: I will have to go into the details. Yes, I'll give the mic to Mr. Shailesh Mehendale.

Shailesh Mehendale: So, there is a net increase in registrations what you are referring, right?

Jatin Damania: No, net decrease, sir.

Shailesh Mehendale: Yes. So, there is a drop in the pipeline registration, but there is an increase in the registration. So, it's an ongoing process. And there are few registrations which are getting discontinued. And there are few new registrations which are coming in H1.

Jatin Damania: No, sir. I agree that there are few new registrations. But if you look over the last one year, if your total registration and pipeline, which was near about more than 4,050 -- 4,070 products. Now if you look at this year, it's closer to 4,000. So, the incremental 50 difference of 50, have we withdrawn any registration -- how should one look at it?

Shailesh Mehendale: No, we have not withdrawn any such registrations. There are few products registrations getting discontinued also, our MD has explained that we are also focusing on the US, particularly where we have to pay a data compensation and that resulted in this increase in capex in the H1.

Jatin Damania: Okay. So, of the INR400 crores of the capex that we have done in H1, how much will be pertaining to the US related thing?

Shailesh Mehendale: So that we'll give you offline this particular breakup. We can provide you the registration breakup, how much is presently region-wise breakup, but the actual capex spends of INR419 crores, we can give you offline.

Jatin Damania: You can give a region-wise breakup of registration?

Shailesh Mehendale: Yes, we can provide you, just note it down. So total registration on 30th September is INR3,044. That includes Europe, 1,701; NAFTA 333, LATAM 760 and rest of world is 250. And in pipeline, out of 946, Europe is 548, NAFTA is 103, LATAM is 155 and rest of world is 140.

Jatin Damania: And just on the follow-up question on the earlier commentary which Mr. Bubna indicated that in EU, the restocking and the second half can see a recovery. So, I mean, do you think that we'll be again be jumping back to the original profitability that we used to report in the previous quarter from the European business?

R. V. Bubna: So, it is likely to improve. It is likely to improve.

Jatin Damania: On the capex thing this year, when you indicated that INR550 crores to INR600 crores of the capex that we'll be doing it out of these INR420 crores we have already spent. So, looking at your second half cash flow, definitely, our cash on the book will probably increase from INR846 crores that we reported at the end of first half. So how should one look at the capital deployment over the next 6 months or probably 12 to 15 months.

R. V. Bubna: Sir, I have said in every conference call that the process of registration is absolutely unpredictable. And the things change at the last moment, the government authorities come out with new requirements at the last moment and the approval process also gets delayed because the authorities are not able to meet so frequently and many things which are totally beyond anybody's guesswork or planning. And this is what we are facing for the last 25 years.

So, it is very difficult to predict what registrations will come and how many and things like that over the costs. Because all of the sudden, they said that this test is more again required to be done or repeated and so many things. And they are all being guided on these steps by the innovators and multinational companies.

Jatin Damania: Okay. Sir, on this U.S. thing like in this year, since we have seen an increased capex, do we foresee any other incremental capex or onetime capex that should hit Sharda Crop Chem because of the registration in near term?

R. V. Bubna: We have not foreseen that we'll have to spend so much on the registrations in the first half. Because some processes were being negotiated, data compensation we had to pay that got negotiated. And when we have no consent, then it goes to the arbitration. And the arbitration process takes long. Our experts are saying that this will go much lesser amount, but the results came -- I mean the output came much higher. These are totally unpredictable.

Jatin Damania: So, as you indicated on the strong recovery in second half and since you've already given a guidance of 18% to 20% EBITDA margin. So even if you assume a lower end of 18%, is it fair to assume that second half margins will be upwards of 20% for us?

R. V. Bubna: Yes, it can be.

Moderator: Next question is from the line of Anubhav Goel from Cosma Ventures. Please go ahead.

Anubhav Goel: Sir, I just wanted to understand our strategy, if any, towards bioproducts. So globally, I think China is there in every product. And these products of biological, bio Solutions, biocontrol, they are growing much faster. So how is our portfolio positioned there? And do we have any registration here? Because this trend would mean not having significant R&D and relying solely on registrations may no longer be a material differentiator. So, sir, just your thoughts on this?

R. V. Bubna: See, we are also going in the bio chem products, and our product are increasing in the bio chem products also.

Anubhav Goel: But sir, like even a few years from now, do you see this as like contributing maybe 10% of sales to the company?

R. V. Bubna: See, total market for biocides is much smaller compared to agrochemicals. These biocides are used only for specific uses and the demand and the quantity consumed is much lesser, much smaller. So, you cannot compare them with insecticides, herbicides and fungicides. Because agriculture is a much bigger volume and vast.

Anubhav Goel: But sir, it would still be fair to say that in 5 years from now or 7-8 years from now, if this ends up becoming a good part of portfolios globally, then this will make a good part of our registrations, not as useful.

R. V. Bubna: Well, it is very difficult to say what is a good part. When there is a limited market, limited consumption, limited quantities, you cannot say what is good part. if our agrochemical business is also going to grow and the growth in agrochemicals is going to be faster than bio chems.

Anubhav Goel: Okay. And sir, just one more question, sir. Sir, is there any thought process that over a period of time, like for us to scale up much more, we will need to invest more in marketing and support a greater shift towards B2C sales?

R. V. Bubna: We are also making attempts to have B2C share of the market. We are working on that direction, and we are achieving some good results also.

Moderator: Next question is from the line of Madhur Rathi from Counter Cyclical Investment. Please go ahead.

Madhur Rathi: Okay. Sir, so I wanted to understand regarding the volume degrowth that we have faced during H1 versus we were expecting some volume growth during the year. So how should we look at it? And sir, our inventories have increased as well by 35%. And even on a Y-o-Y, our inventories are higher. So, if you can help us understand our distributors. And you mentioned that distributors are not building up the inventory. So, for the whole year, how should we look at the volume growth.

R. V. Bubna: Sir, I feel the development that has happened in the first half are not normal. They are going to move towards the normality in the second half. And the consumption in the market is always much better in the fourth quarter of the financial year and then the third quarter and first and second quarters are always on the lower side.

Madhur Rathi: Right. But sir, even if I consider Y-o-Y, our volumes have declined considering H1 to H1. So, do we see an uptick in demand during H2 as well as FY28?

R. V. Bubna: Yes, you can see.

Madhur Rathi: Got it. And sir, if I were to understand that other agrochemical majors who -- so I'm not asking about the API players, or other agrochem players, are they also acquiring these Registration that we are -- so are they a competitor to us by acquiring these registrations?

R. V. Bubna: Sir, we are always competing in the same market. So, there are competitors, but all these companies that you mentioned, they are also producing products. We don't have our own production of any of these products. So, a producer or a manufacturer always has a limitation. He cannot change the product mix so fast, which we can do. He can only produce limited amount of products and the portfolio also restricted by this. In our case, our portfolio can be expanded. It is very flexible, and it can be twisted this way or that way with least moderations.

Madhur Rathi: Sir, what I'm trying to understand that, for example, our registrations are roughly 50% of our net worth. So is there any competitors because we don't find in our competitors balance sheet that kind of registration?

R. V. Bubna: Our capital expenditure is only on registrations. All other people also have capital expenditures on the manufacturing facilities and tangible assets which we do not have. So that should answer your question.

Madhur Rathi: Sir, I am not comparing the registration with fixed asset. I am comparing the registration with the networth of the company. So, my question is that, sir, why are our competitors in their balance sheet, we don't find any significant registration in tangible assets?

Madhur Rathi: Sir, one more thing I wanted to understand, sir, now with the AI and sir also there are some videos which basically the laser is basically eliminating the weeds, the sensor is basically detecting and the laser is basically burning it out. So basically, sir, and the precision delivery of agro-chem, so do you foresee that in the next 5 to 10 years the volumes might decrease?

R. V. Bubna: No, I don't think so. The volumes will increase because the population of the world is increasing, consumption of food is increasing and the agricultural products demand will also increase.

Moderator: Next question is from the line of Rohit Nagraj from 360 One Capital. Please go ahead.

Rohit Nagraj: So, first question is that during first half, obviously the volumes have been challenging, but in the initial part of the current ongoing quarter during the month of October, how are we looking in terms of volume offtake, particularly in the European and Latin geographies?

R. V. Bubna: It is improving.

Rohit Nagraj: Sir, second question is you also mentioned that we are looking at B2C. So which particular geographies are we looking at and how is the scale up that we are expecting maybe over the next three to five years?

R. V. Bubna: We are looking at several geographies and the scale up is not going to be so fast. Because the B2C business requires a lot of manpower, smaller quantities, and very well-spread geographies as compared to B2B.

Rohit Nagraj: So just I will squeeze in one last question. In terms of availability of material from China at competitive prices, how is the scenario given that there has been a material inflation in food - based raw materials? So how are we looking at that and whether that complete transfer is happening or is it happening with a lag to the customer or the dealer distributor?

R. V. Bubna: I can tell you that the availability of the products in China is good. The products are available and the prices are fairly competitive.

Moderator: Next question is from the line of Viren Samir Deshpande from Alphapeak Investments. Please go ahead.

Viren Deshpande: Congratulations for the good results. And actually, there are a lot of news flows everywhere regarding these various shipping routes which are facing problems. That is one is the Red Sea route, other is the State of Hormuz where there is a lot of disruption in the logistics and supplies. So, are we facing any issues on that front?

R. V. Bubna: See, Hormuz channel. It is not affecting us much at all because our goods are travelling to western, I mean all around the globe on the western side you know. So it's only taking extra time. The cost of freight is also increasing but it is not affecting the performance.

Viren Deshpande: So, it is not affecting us. So, our supplies are continuing to be in normal as per the demand we are in a position to supply.

R. V. Bubna: Yes sir.

Viren Deshpande: And the second question is regarding this Euro dollar. Currently the parity has gone significantly lower at 1.12 or so. So, will it affect our profitability going forward?

R. V. Bubna: See, we have an impact of this cross-currency exchange rates, but these things are also very unpredictable. It is almost in the steady range in the last 3-4 months. Earlier, the Euro-Dollar exchange rate was more favourable to us, but the things will get normalized. And another thing is we have no control, but we have not been affected so badly by these exchange rates.

Viren Deshpande: Our profitability, as you mentioned, continues to be quite reasonable and as per your guidance, we are in a position to do maintenance.

R. V. Bubna: Yes, sir.

Moderator: Next question is from the line of Sonal Minhas from Prescient Capital. Please go ahead.

Sonal Minhas: I have two questions. Sir, compared to the June quarter for this year, in this quarter, our gross margins have come down by 1%. Given the oil prices are going up and there is a commodity squeeze, can you give us some guidance on gross margins for H2 for this financial year? Are they expected to go down or they are expected to hold at current levels?

R. V. Bubna: Sir, they are expected to hold or go up.

Sonal Minhas: Okay, sir. Sir, one more thing. We've been invested and we've been tracking your company for a while, so just wanted to understand your depreciation and amortization expense is a leading indicator for your revenue growth over time, the future revenue growth. In June quarter and this quarter, you have expensed INR100 crores each in your depreciation and amortization compared to INR70 crores -INR75 crores for the same period last year. Is this something which is a leading indicator for revenue growth, if not in H2 but in the future next financial year?

R. V. Bubna: Sir, one minute, I will ask our CFO to reply to this question.

Shailesh Mehendale: Yes, I think what you are saying it is leading to that our amortizations over last 2 quarters is more compared to last year same period and this will continue even for balance H2 with this whatever we have already capitalized and spent on intangible assets, on our product registration capex and amortized over a period of 5 years. That is the amortization policy.

The second question is, is it leading to the revenue? Yes, definitely it is going to give a higher revenue. This is towards the new products which we have capitalized which will give a higher revenue in the future.

Moderator: Next question is from the line of Rajat Setiya from iThought PMS. Please go ahead.

Rajat Setiya: Sir, can you please share the geographic-wise gross margins for this quarter?

R. V. Bubna: One minute, let me check. Yes sir. This is for the Q2 you want to know? European region, our gross margins have been 41%, NAFTA region also around 40%, LATAM 14% and rest of the world 31%, overall, 35.9%.

Rajat Setiya: And sir, these are for agri-chem division or the total gross margin?

R. V. Bubna: No, for the total business.

Rajat Setiya: And did you also mention previously in the call that in Europe you expect margins to either stay or improve from here?

R. V. Bubna: Yes, please.

Moderator: Next question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

Anubhav Mukherjee: Thanks for the follow up opportunity. Sir, how is the pricing environment for generics like have we experienced like pricing improvement in our key markets?

R. V. Bubna: Every product needs to be registered whenever it goes off patent and the registration process is very complicated and very uninteresting for most of the investors and a lot of uncertainties. So, people don't like to invest into the registrations. If they have extra capital, they like to deploy into tangible assets.

Anubhav Mukherjee: What I meant was like for agrochemicals like our product portfolio.

Anubhav Mukherjee: Sir, I was asking how is the pricing environment for agrochemicals and have you witnessed a price improvement?

R. V. Bubna: Yes, we are witnessing the price improvements. See when a product becomes old it becomes like a commodity and the prices go down but when the product is freshly gone off patent the margins are very good and the prices are also very good and the competition is very limited.

Anubhav Mukherjee: Okay sir, I was asking more about like generally for the overall portfolio. Because prices have gone down significantly post COVID period. So how is the pricing environment now? Is it improving?

R. V. Bubna: It is improving. The speed of improvement is still not as per our expectation, but it is improving. It is still far down compared to the pre-COVID days, but still, it is not impacting the general business so much.

Moderator: Next question is from the line of Rajat Setiya from iThought PMS. Please go ahead.

Rajat Setiya: Sir, in the last two quarters, our margins in NAFTA region have gone up a lot. So, what is driving those margins and are these margins sustainable?

R. V. Bubna: Mainly, the margins are also depending upon the demand and availability. We have found in first half the demand is good and availability is lesser that is giving us a better possibilities and better margins.

Rajat Setiya: And sir, do you see them sustaining or how do you see them in the rest of the year for NAFTA region particularly?

R. V. Bubna: We feel they are sustainable.

Rajat Setiya: Okay and it has nothing to do with the tariffs or some of that is also a reason?

R. V. Bubna: I am very happy that you have raised this question. Tariffs are not affecting agrochemical business at all. Because these products are not freely tradable, not freely available and not freely marketable. Every product needs to be registered and if in case of trading companies like us, we are restricted to source it only from an approved source which is approved by the authorities and a customer has not much choice.

He has only two, three options. He cannot buy from any country in the world. He has to buy only from the country before the register is approved and the choice is very limited. So, it is very easy for us to pass on all the tariff increases to the customers.

Rajat Setiya: And sir, in the non-agro side, our margins in this quarter, while the non-agro segment has delivered one of the best performances, but our margins have come down. Is it because of higher share of conveyor belts?

R. V. Bubna: No, higher share is not a very small element, but the transportation costs. In the case of conveyor bills, the transportation costs have increased so much and they form an important part of the total cost.

Rajat Setiya: And this transportation cost, is that also a big contributor in the revenue growth of this division in this quarter?

R. V. Bubna: No, not so much. It is, but not so much.

Moderator: Next question is from the line of Mohit Chugh from Subh Labh Research. Please go ahead.

Mohit Chugh: Sir, taking from the previous participant question and your initial comments, you mentioned that LATAM and NAFTA performed better than Europe, so can we assume that the realization growth was better in those two regions as compared to Europe?

R. V. Bubna: Yes, in our case, because I would say in our case, our realization, I mean margins are lesser, now the margins have got improved, maybe because of good availability of the products, at Sharda.

Mohit Chugh: And also, sir, on volume side, was there a positive growth in volume in those two regions?

R. V. Bubna: There was a positive growth in the NAFTA region, but not in the case of Europe.

Mohit Chugh: Okay. Thank you, sir. Those were my questions.

Moderator: Ladies and gentlemen, we will take that as the last question for today. I would now like to hand the conference back to the management for closing comments.

R. V. Bubna: Thank you everyone for joining us. I hope you have been able to answer all your queries. We look forward to such interactions in the future. We also learn a lot from these interactions. We hope to meet your expectations in the future also. In case you require any further details, you may contact us or our Investment Advisors SGA. Thank you so much.

Moderator: Thank you very much sir. On behalf of Antique Stock Broking Limited, that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.